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Sen. Gilbert stands up for Michigan workers

LANSING – Companies receiving a tax-free renaissance zone designation to build or expand in Michigan would be required to give preference to Michigan construction firms under legislation sponsored by Sen. Jud Gilbert. Testimony in support of Senate Bill 1414 was given today in the Senate Committee on Commerce and Labor.

"This legislation helps clarify and put in writing something that should have been an obvious part of any contract – that Michigan workers be given preference over out-of-state workers," said Gilbert, R-Algonac. "In this day and age, a verbal agreement means nothing and is too easy for someone to forget. We need to ensure something as important as employing Michigan residents is put in writing so these jobs are not outsourced."

This issue arose because a company in Marysville is using out-of-state laborers to build its new ethanol plant instead of local workers. Allegedly, there was a promise between the city and Marysville Ethanol to use local workers but nothing was ever written in the contract or city resolution.

Gilbert highlighted the importance of having local units of government involved in the process of establishing renaissance zones. He noted this is crucial because they are the first level of government with the opportunity to stress using Michigan jobs by including appropriate language in a resolution.

"As a matter of fact, before the state administration can give Michigan jobs priority, local units of government should exercise the authority they already possess," Gilbert said. "For example, before the city signed off and designated the renaissance zone, they could have had a commitment in writing that these would be in-state jobs."

The legislation makes it explicit that the following must be taken into consideration when designating renaissance zones for tax abatements:

- The creation of indirect jobs associated with construction or expansion of a facility; and
- The number of Michigan residents to be employed to construct or expand a facility.